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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2006

Open to Public Inspection

A For the 2006 calendar year, or tax year beginning 01-01-2006 and ending 12-31-2006

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
Polynesian Cultural Center

Number and street (or P O box if mail is not delivered to street address) | Room/suite
55-370 Kamehameha Highway

City or town, state or country, and ZIP + 4
Laie, HI 96762

D Employer identification number
99-0109908

E Telephone number
(808) 293-3005

F Accounting method ☐ Cash ☑ Accrual ☐ Other (specify) ▶

● **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

G Web site: ▶ N/A

J Organization type (check only one) ▶ ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ▶ ☐ if the organization is not a 509(a)(3) supporting organization **and** its gross receipts are normally **not** more than 25,000 A return is not required, but if the organization chooses to file a return, be sure to file a complete return

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 57,324,024

H *and* **I** *are not applicable to section 527 organizations*

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) If "Yes" enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list See instructions)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☑ No

I Group Exemption Number ▶

M Check ▶ ☐ if the organization is **not** required to attach Sch B (Form 990, 990-EZ, or 990-PF)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances *(See the instructions.)*

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Contributions to donor advised funds	1a			
	b	Direct public support (not included on line 1a)	1b	2,593,499		
	c	Indirect public support (not included on line 1a)	1c			
	d	Government contributions (grants) (not included on line 1a)	1d			
	e	**Total** (add lines 1a through 1d) (cash $ 2,593,499 noncash $)			1e	2,593,499
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	23,241,636
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	500,037
	5	Dividends and interest from securities			5	
	6a	Gross rents	6a	1,424,975		
	b	Less rental expenses	6b	424,257		
	c	Net rental income or (loss) subtract line 6b from line 6a			6c	1,000,718
	7	Other investment income (describe ▶)			7	
	8a	Gross amount from sales of assets other than inventory — (A) Securities	8a	(B) Other: 4,475,929		
	b	Less cost or other basis and sales expenses	8b	4,524,741		
	c	Gain or (loss) (attach schedule)	8c	-48,812		
	d	Net gain or (loss) Combine line 8c, columns (A) and (B)			8d	-48,812
	9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ▶ ☐				
	a	Gross revenue (not including $ of contributions reported on line 1b)	9a			
	b	Less direct expenses other than fundraising expenses	9b			
	c	Net income or (loss) from special events Subtract line 9b from line 9a			9c	
	10a	Gross sales of inventory, less returns and allowances	10a	21,361,998		
	b	Less cost of goods sold	10b	5,474,130		
	c	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a			10c	15,887,868
	11	Other revenue (from Part VII, line 103)			11	3,725,950
	12	**Total revenue** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12	46,900,896
Expenses	13	Program services (from line 44, column (B))			13	37,917,536
	14	Management and general (from line 44, column (C))			14	6,462,537
	15	Fundraising (from line 44, column (D))			15	42,362
	16	Payments to affiliates (attach schedule)			16	
	17	**Total expenses** Add lines 16 and 44, column (A)			17	44,422,435
Net Assets	18	Excess or (deficit) for the year Subtract line 17 from line 12			18	2,478,461
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	34,026,628
	20	Other changes in net assets or fund balances (attach explanation)			20	1,131,006
	21	Net assets or fund balances at end of year Combine lines 18, 19, and 20			21	37,636,095

Part II Statement of Functional Expenses

All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others *(See the instructions.)*

	Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a	Grants paid from donor advised funds (attach Schedule) (cash $_____ noncash $_____) If this amount includes foreign grants, check here ▶ ☐	22a				
22b	Other grants and allocations (attach schedule) (cash $_____ noncash $_____) If this amount includes foreign grants, check here ▶ ☐	22b				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25a	Compensation of current officers, directors, key employees etc Listed in Part V-A (attach schedule)	25a	847,246		804,884	42,362
b	Compensation of former officers, directors, key employees etc listed in Part V-B (attach schedule)	25b				
c	Compensation and other distributions not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c				
26	Salaries and wages of employees not included on lines 25a, b and c	26	18,005,367	16,213,247	1,792,120	
27	Pension plan contributions not included on lines 25a, b and c	27	1,967,021	1,691,638	275,383	
28	Employee benefits not included on lines 25a - 27	28	2,657,486	2,285,438	372,048	
29	Payroll taxes	29	1,041,283	895,503	145,780	
30	Professional fundraising fees	30				
31	Accounting fees	31	85,829		85,829	
32	Legal fees	32	35,308		35,308	
33	Supplies	33	710,093	688,790	21,303	
34	Telephone	34	181,071	128,560	52,511	
35	Postage and shipping	35	45,238	40,714	4,524	
36	Occupancy	36	2,686,212	2,417,591	268,621	
37	Equipment rental and maintenance	37	1,156,741	1,041,067	115,674	
38	Printing and publications	38	2,298,486	2,068,637	229,849	
39	Travel	39	389,463	210,310	179,153	
40	Conferences, conventions, and meetings . .	40	41,771	37,594	4,177	
41	Interest	41				
42	Depreciation, depletion, etc (attach schedule)	42	3,795,448	3,036,358	759,090	
43	Other expenses not covered above (itemize)					
a	See Additional Data Table	43a				
b		43b				
c		43c				
d		43d				
e		43e				
f		43f				
g		43g				
44	**Total functional expenses.** Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13–15)	44	44,422,435	37,917,536	6,462,537	42,362

Joint Costs. Check ▶ ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ▶ ☐ **Yes** ☑ **No**

If "Yes," enter **(i)** the aggregate amount of these joint costs $_____, **(ii)** the amount allocated to Program services $_____, **(iii)** the amount allocated to Management and general $, and **(iv)** the amount allocated to Fundraising $

Part III Statement of Program Service Accomplishments *(See the instructions.)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

What is the organization's primary exempt purpose? ▶ Educational & Cultural Museum All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	**Program Service Expenses** (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)
a See Statement 16 (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	37,917,536
b _____ (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c _____ (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d _____ (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . . ▶	37,917,536

Part IV Balance Sheets *(See the instructions.)*

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.				(A) Beginning of year		(B) End of year
Assets	45	Cash—non-interest-bearing			45	
	46	Savings and temporary cash investments		6,584,773	46	11,430,854
	47a	Accounts receivable	47a 3,180,002			
	b	Less allowance for doubtful accounts	47b 500,858	2,416,243	47c	2,679,144
	48a	Pledges receivable	48a			
	b	Less allowance for doubtful accounts	48b		48c	
	49	Grants receivable			49	
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a	
	b	Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule)			50b	
	51a	Other notes and loans receivable (attach schedule)	51a			
	b	Less allowance for doubtful accounts	51b		51c	
	52	Inventories for sale or use		1,610,304	52	830,009
	53	Prepaid expenses and deferred charges		296,163	53	57,173
	54a	Investments—publicly-traded securities ▶ ☐ Cost ☐ FMV			54a	
	b	Investments—other securities (attach schedule) ▶ ☐ Cost ☐ FMV			54b	
	55a	Investments—land, buildings, and equipment basis	55a			
	b	Less accumulated depreciation (attach schedule)	55b		55c	
	56	Investments—other (attach schedule)			56	
	57a	Land, buildings, and equipment basis	57a 78,477,485			
	b	Less accumulated depreciation (attach schedule)	57b 48,699,366	31,153,743	57c	29,778,119
	58	Other assets, including program-related investments (describe ▶ _____)		671,224	58	1,003,635
	59	**Total assets** (must equal line 74) Add lines 45 through 58		42,732,450	59	45,778,934
Liabilities	60	Accounts payable and accrued expenses		2,894,383	60	2,112,861
	61	Grants payable			61	
	62	Deferred revenue			62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63	
	64a	Tax-exempt bond liabilities (attach schedule)			64a	
	b	Mortgages and other notes payable (attach schedule)			64b	
	65	Other liabilities (describe ▶ _____)		5,811,439	65	6,029,978
	66	**Total liabilities** Add lines 60 through 65		8,705,822	66	8,142,839
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here** ▶ ☑ and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted		30,211,582	67	32,710,319
	68	Temporarily restricted		2,103,201	68	2,343,381
	69	Permanently restricted		1,711,845	69	2,582,395
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
	73	**Total net assets or fund balances** Add lines 67 through 69 **or** lines 70 through 72 (Column (A) **must** equal line 19 and column (B) **must** equal line 21)		34,026,628	73	37,636,095
	74	**Total liabilities and net assets / fund balances** Add lines 66 and 73		42,732,450	74	45,778,934

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			**a**	52,017,479
b	Amounts included on line **a** but not on Part I, line 12				
1	Net unrealized gains on investments	**b1**			
2	Donated services and use of facilities	**b2**			
3	Recoveries of prior year grants	**b3**			
4	Other (specify)	**b4**	-1,086,607		
	Add lines **b1** through **b4**			**b**	-1,086,607
c	Subtract line **b** from line **a**			**c**	53,104,086
d	Amounts included on Part I, line 12, but not on line **a**				
1	Investment expenses not included on Part I, line 6b	**d1**			
2	Other (specify)	**d2**	-6,203,190		
	Add lines **d1** and **d2**			**d**	-1,086,607
e	**Total revenue** (Part I, line 12) Add lines **c** and **d** ▶			**e**	46,900,896

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements			**a**	49,562,357
b	Amounts included on line **a** but not on Part I, line 17				
1	Donated services and use of facilities	**b1**			
2	Prior year adjustments reported on Part I, line 20	**b2**			
3	Losses reported on Part I, line 20	**b3**			
4	Other (specify)	**b4**	6,230,276		
	Add lines **b1** through **b4**			**b**	6,230,276
c	Subtract line **b** from line **a**			**c**	43,332,081
d	Amounts included on Part I, line 17, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	**d1**			
2	Other (specify)	**d2**	1,090,354		
	Add lines **d1** and **d2**			**d**	1,090,354
e	**Total expenses** (Part I, line 17) Add lines **c** and **d** ▶			**e**	44,422,435

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	**(B)** Title and average hours per week devoted to position	**(C)** Compensation **(If not paid, enter -0-.)**	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
See Additional Data Table				

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

			Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 19			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	**75b**		No
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization" ▶	**75c**		No
	If "Yes," attach a statement that includes the information described in the instructions			
d	Does the organization have a written conflict of interest policy?	**75d**	Yes	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	**(B)** Loans and Advances	**(C)** Compensation (If not paid enter -0-)	**(D)** Contributions to employee benefit plans and deferred compensation plans	**(E)** Expense account and other allowances

Part VI Other Information *(See the instructions.)*

			Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	**76**		No
77	Were any changes made in the organizing or governing documents but not reported to the IRS?	**77**		No
	If "Yes," attach a conformed copy of the changes			
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	**78a**	Yes	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	**78b**	Yes	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	**79**		No
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?	**80a**	Yes	
b	If "Yes," enter the name of the organization ▶ See Additional Data Table and check whether it is ☐ exempt **or** ☐ nonexempt			
81a	Enter direct or indirect political expenditures (See line 81 instructions) **81a**			
b	Did the organization file **Form 1120-POL** for this year?	**81b**		No

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		No
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) 82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	Yes	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	Yes	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		No
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members?	85a		No
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		No
	If "Yes," was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed the prior year			
c	Dues assessments, and similar amounts from members 85c			
d	Section 162(e) lobbying and political expenditures 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		No
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		No
86	*501(c)(7) orgs.* Enter **a** Initiation fees and capital contributions included on line 12 86a: 0			
b	Gross receipts, included on line 12, for public use of club facilities 86b: 0			
87	*501(c)(12) orgs.* Enter **a** Gross income from members or shareholders 87a: 0			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b: 0			
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	88a	Yes	
b	At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)? If yes complete Part XI	88b		No
89a	*501(c)(3) organizations* Enter Amount of tax imposed on the organization during the year under section 4911 ▶ , section 4912 ▶ , section 4955 ▶			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		No
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶			
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ▶			
e	*All organizations.* At any time during the tax year was the organization a party to a prohibited tax shelter transaction?	89e		No
f	*All organizations.* Did the organization acquire direct or indirect interest in any applicable insurance contract?	89f		No
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		No
90a	List the states with which a copy of this return is filed ▶			
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)	90b	1,402	
91a	The books are in care of ▶ Larry Yuen Telephone no ▶ (808) 293-3171			
	Located at ▶ 55-370 Kamehameha Hwy LAIE, HI ZIP + 4 ▶ 96762			
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b		No
	If "Yes," enter the name of the foreign country ▶			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**, Report of Foreign Bank and Financial Accounts			

Part VI Other Information *(continued)*

			Yes	No
c	At any time during the calendar year, did the organization maintain an office outside of the United States?	91c		No

If "Yes," enter the name of the foreign country ▶

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* ***Form 1041***—Check here . . . . . ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the tax year . . . . ▶ 92

Part VII Analysis of Income-Producing Activities ***(See the instructions.)***

Note: *Enter gross amounts unless otherwise indicated.*

		Unrelated business income		Excluded by section 512, 513, or 514		(E)
		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	Related or exempt function income
93	Program service revenue					
a	SALES DISCOUNTS	712100	469,407			850,584
b	SALES COMMISSIONS	712100	1,253,495			3,253,615
c	ADMISSIONS REFUNDS	712100	58,532			
d	ADMISSIONS	711130	8,213,334			20,913,935
e						
f	Medicare/Medicaid payments					
g	Fees and contracts from government agencies					
94	Membership dues and assessments . . .					
95	Interest on savings and temporary cash investments			14	500,037	
96	Dividends and interest from securities . . .					
97	Net rental income or (loss) from real estate					
a	debt-financed property					
b	non debt-financed property			16	1,000,718	
98	Net rental income or (loss) from personal property					
99	Other investment income					
100	Gain or (loss) from sales of assets other than inventory	711130	-2,699	18	-46,113	
101	Net income or (loss) from special events . .					
102	Gross profit or (loss) from sales of inventory	453000	436,411	3	14,229,472	1,221,985
103	Other revenue a TRANSPORTATION			3	3,698,864	
b	TEL EXCISE TAX CREDIT	711130	620			2,747
c	HAWAII CAPTL GOODS CREDIT	711130	23,719			
d						
e						
104	Subtotal (add columns (B), (D), and (E)) . .		6,889,951		19,382,978	18,034,468
105	**Total** (add line 104, columns (B), (D), and (E)) . . . . . ▶					44,307,397

Note: *Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes ***(See the instructions.)***

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
102	See Statement 17
93	SEE STATEMENT 16

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities ***(See the instructions.)***

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
Polynesian Cultural Ctr Prop 55-370 Kamehameha Highway Laie, HI96762 99-0199388	10000 00 %	Inactive	0	0
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts ***(See the instructions.)***

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . ☐ Yes ☑ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . ☐ Yes ☑ No

NOTE: *If "Yes" to* ***(b),*** *file Form 8870* ***and*** *Form 4720 (see instructions).*

Part XI **Information Regarding Transfers To and From Controlled Entities** *Complete only if the organization is a controlling organization as defined in section 512(b)(13)*

		Yes	No
106	Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity		No

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
Totals				

		Yes	No
107	Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity		No

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
Totals				

		Yes	No
108	Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?		No

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

****** — Signature of officer

2007-11-09 — Date

M Greg Gollaher Vice President — Type or print name and title

Paid Preparer's Use Only

Preparer's signature: Gary J Myers

Date:

Check if self-employed ☐

Preparer's SSN or PTIN (See Gen Inst W):

Firm's name (or yours if self-employed), address, and ZIP + 4:

Lake Hill & Myers

6695 South 1300 East

Salt Lake City, UT 84121

EIN:

Phone no (801) 947-7500

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2006

Name of the organization
Polynesian Cultural Center

Employer identification number
99-0109908

Part I **Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**
(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Delsa Moa 55-706E Wahinepee Street Laie, HI 96762	Director Cultur 40	93,674	17,114	0
Lawrence Yuen 54-285 Kawaipuna Place Hauula, HI 96717	Controller 40	89,485	3,579	0
Siaosi Lautaha 55-220 Kulanui St 1739 Laie, HI 96762	Systems Control 40	99,178	17,334	0
Freddie Camit 58-114 Mamao St Haleiwa, HI 96712	Chief Info Off 40	110,394	8,922	0
Orlin Clements 55-370 Kamehameha Hw Laie, HI 96762	Phys Fac Dir 40	89,721	16,698	0
Total number of other employees paid over $50,000 ▶				

Part II-A **Compensation of the Five Highest Paid Independent Contractors for Professional Services**
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over $50,000 for professional services ▶		

Part II-B **Compensation of the Five Highest Paid Independent Contractors for Other Services**
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None". See page 2 for instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over $50,000 for other services ▶		

Part III Statements About Activities (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, include any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶$ _____(Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B)	1			No
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities				
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*				
a	Sale, exchange, or leasing property?	2a	Yes		
b	Lending of money or other extension of credit?	2b		No	
c	Furnishing of goods, services, or facilities?	2c		No	
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	Yes		
e	Transfer of any part of its income or assets?	2e		No	
3a	Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)	3a		No	
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	Yes		
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment , historic land areas or structures? If "Yes" attach a detailed statement	3c		No	
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		No	
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g	4a		No	
b	Did the organization make any taxable distributions under section 4966?	4b		No	
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c		No	
d	Enter the total number of donor advised funds owned at the end of the tax year ▶_____				
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶_____				
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶_____				
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶_____				

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box)

- **5** ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- **6** ☐ A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- **7** ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- **8** ☐ A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- **9** ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶
- **10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- **11a** ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- **11b** ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- **12** ☑ An organization that normally receives **(1) more than 331/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions—subject to certain exceptions, and **(2) no more than 331/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- **13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization

☐ Type I ☐ Type II ☐ Type III - Functionally Integrated ☐ Type III - Other

Provide the following information about the supported organizations. (see page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support?
			Yes	No	
Total			▶		

- **14** ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) ***Use cash method of accounting.***

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	2,260,999	4,496,500	3,371,765	1,416,093	11,545,357
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose	36,276,953	33,712,316	28,945,935	25,572,005	124,507,209
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	1,166,544	897,976	685,964	593,698	3,344,182
19 Net income from unrelated business activities not included in line 18	7,200,510	7,694,766	6,610,199	6,876,473	28,381,948
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	46,905,006	46,801,558	39,613,863	34,458,269	167,778,696
24 Line 23 minus line 17	10,628,053	13,089,242	10,667,928	8,886,264	43,271,487
25 Enter 1% of line 23	469,050	468,016	396,139	344,583	

26 Organizations described on lines 10 or 11: **a** Enter 2% of amount in column (e), line 24 ▶ **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ **26b**

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ **26c** 0

d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____ ▶ **26d**

e Public support (line 26c minus line 26d total) ▶ **26e**

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f**

27 Organizations described on line 12: **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " **Do not file this list with your return.** Enter the sum of such amounts for each year

(2005) 375,436 (2004) 2,644,298 (2003) 330,644 (2002) 1,301,285

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year

(2005) _____ (2004) _____ (2003) _____ (2002) _____

c Add Amounts from column (e) for lines 15 11,545,357 16 0 17 124,507,209 20 0 21 0 ▶ **27c** 136,052,566

d Add Line 27a total 4,651,663 and line 27b total _____ ▶ **27d** 4,651,663

e Public support (line 27c total minus line 27d total) ▶ **27e** 131,400,903

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ **27f** 167,778,696

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g** 7832 00 %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27h** 199 00 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

Part V **Private School Questionnaire** (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)			
33	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement			
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ▶ **a** ☐ if the organization belongs to an affiliated group Check ▶ **b** ☐ if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	**36**	0	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	**37**		
38 Total lobbying expenditures (add lines 36 and 37)	**38**		
39 Other exempt purpose expenditures	**39**		
40 Total exempt purpose expenditures (add lines 38 and 39)	**40**		
41 Lobbying nontaxable amount Enter the amount from the following table—			
If the amount on line 40 is— / **The lobbying nontaxable amount is—**			
Not over $500,000 — 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000	**41**		
Over $1,500,000 but not over $17,000,000 — $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 — $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	**42**		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	**43**		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	**44**		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 13 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2006	**(b)** 2005	**(c)** 2004	**(d)** 2003	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)			
c Media advertisements			0
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines **c** through **h.**)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 13 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	**51a(i)**		No
(ii) Other assets	**a(ii)**		No
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	**b(i)**		No
(ii) Purchases of assets from a noncharitable exempt organization	**b(ii)**		No
(iii) Rental of facilities, equipment, or other assets	**b(iii)**		No
(iv) Reimbursement arrangements	**b(iv)**		No
(v) Loans or loan guarantees	**b(v)**		No
(vi) Performance of services or membership or fundraising solicitations	**b(vi)**		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	**c**		No

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2006 Gain/Loss from Sale of Other Assets Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Sales Expenses	Total (net)	Accumulated Depreciation
Theater Equipment	2005-01	Purchase	2006-01			124,358		-621	123,737
Theater Building Addition	2005-01	Purchase	2006-01			76,752		-2,078	74,674
Vehicles	2005-01	Purchase	2006-01		219,652	209,069		10,583	
Furniture & Equipment	2005-01	Purchase	2006-01		2,887,335	2,892,307		-4,972	
Building & Improvements	2005-01	Purchase	2006-01		1,368,942	1,420,666		-51,724	

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TY 2006 Land etc. Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Category/Item	Cost/Other Basis	Accumulated Depreciation	Book Value
Improvements	666,199		666,199
Buildings	54,373,146	29,860,451	24,512,695
Furniture and Fixtures	21,251,866	16,982,378	4,269,488
Automobiles / Transportation Equipment	2,186,274	1,856,537	329,737

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TY 2006 Other Assets Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Description	Beginning of Year Amount	End of Year Amount
Prepaid Pension Asset		625,217
Other assets		378,418

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TY 2006 Other Changes in Net Assets Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Description	Amount
TELEPHONE EXCISE TAX CREDIT	-3,367
Addl Minimum Pension Liab Adj	1,157,043
2006 HAWAII CAPITAL GOODS CREDIT	-23,719
2005 Hawaii Capital Goods Credit	1,049

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TY 2006 Other Expenses Included Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Description	Amount
Rental expenses	367,258
Cost of goods sold	5,474,130
Cash discounts	388,888

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TY 2006 Other Expenses
Not Included Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Description	Amount
Loss on sale of asset	2,698
General excise tax	1,087,656

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TY 2006 Other Liabilities Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Description	Beginning of Year Amount	End of Year Amount
Accrued Employee Benefits	261,794	9,000
Accrued Postemployment Benefits	568,157	502,075
Accrued Postretirement Benefits	2,021,049	2,277,889
Deposits Received in Advance	306,094	649,774
Accrued Rent	1,389,920	961,428
Accrued Workers Compensation	313,667	230,604
Accrued Payroll and Vacation	950,758	1,399,208

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TY 2006 Other Revenues Included Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Description	Amount
General Excise Tax	-1,087,656
2005 HI capital goods tax credit	1,049

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TY 2006 Other Revenues
Not Included Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Description	Amount
Telephone Excise Tax	3,367
Rental expenses	-367,258
Cost of goods sold	-5,474,130
Cash discounts	-388,888
2006 Hawaii Capital Goods Tax Credit	23,719

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TY 2006 Sales Of Inventory Schedule

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Category	Gross Sales	Cost of Goods Sold	Net (Gross Sales Minus Cost of Goods Sold)
EDUCATIONAL MATERIALS, ARTS & CRAFTS	1,993,645	771,660	1,221,985
FOOD SALES	18,605,087	4,375,615	14,229,472
Night show merchandise & other merch.	763,266	326,855	436,411

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TY 2006 Employee Compensation Explanation

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Employee	Explanation
Delsa Moa	
Lawrence Yuen	
Siaosi Lautaha	
Freddie Camit	
Orlin Clements	

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TY 2006 Self Dealing Statement

Name: Polynesian Cultural Center
EIN: 99-0109908
Software ID: 06000146
Software Version: 2006v3.1

Line Number	Explanation
	THE CENTER LEASES RENTAL HOMES TO CERTAIN EMPLOYEES. RENTAL INCOME FROM THESE HOMES AMOUNTED TO $77,073 IN 2006.

STATEMENT 16
FORM 990, PART III and PART VIII

The Polynesian Cultural Center (the Center) and its next door neighbor, Brigham Young University - Hawaii Campus (BYU-HC) both were established and are wholly controlled by the Church of Jesus Christ of Latter-day Saints (the Church). The Polynesian people have special significance in the Church doctrine, and the Church has been active in the Polynesian Islands since very soon after its establishment in the United States in the 1830's. It conducts many activities in Polynesia intended to improve, both spiritually and economically, the lives of its members there, most of whom live in what are commonly termed "disadvantaged" communities and "underdeveloped" nations.

One of the main thrusts of the Church in Polynesia is to educate its members to enable them and their communities to adapt to and be self-sufficient in the encroaching modern world and yet not to abandon or lose respect for their native cultures or themselves. In furtherance of this objective, the Church has established BYU-HC (initially known as Church College of Hawaii) and the Center. BYU-HC was opened in 1955. Its primary purpose is to provide a college education for Polynesian students who would not otherwise have that opportunity. BYU-HC and the Church actively recruit Polynesian high school students with college potential to attend BYU-HC, obtain an education and then return to their home nations and communities and help improve them, economically and otherwise. The Church substantially subsidizes BYU-HC, which charges tuition far below that charged by most private colleges. Nevertheless, most of the students have no money to pay living expenses, transportation or tuition, however low. Most of the students also lack job experience and skills and do not speak English fluently when they first enroll.

The Center was opened in 1963 as an integral part of the overall Church program in Polynesia and specifically as an adjunct to BYU-HC. The Center operates an authentic living museum of the native cultures of seven major Polynesian Islands — Samoa, Fiji, New Zealand (Maori), Tahiti, Marquesas, Tonga and Hawaii. It employs BYU-HC students from these islands as part-time workers in all aspects of the Center's operations. During 2006, the Center employed an average of 778 BYU-HC students, representing approximately 63 percent of its work force. Such employment is intended to, and does, accomplish the following purposes with respect to such students:

- Teaching them the traditions of their native cultures which are threatened by modernization.
- Instilling in them pride and respect for their own cultures (and themselves) and respect for other cultures.
- Giving them a first job experience and on-the-job training.
- Giving them an experience in sustaining themselves in the modern Western world.
- Enabling them to work their way through college.

(continued)

STATEMENT 16 - continued
FORM 990, PART III and PART VIII

In addition, the broader cultural and educational functions performed by the Center include the preservation and exhibition to the visiting public of important aspects of each of the Polynesian cultures represented, including:

- Authentic replicas of representative village structures in typical settings
- Daily living activities such as cooking
- Agriculture
- Artifacts
- Arts and crafts (both the objects themselves and the skills)
- Costumes
- Traditions
- Songs and dances (which have a far more significant role in Polynesian cultures than in most Western cultures)

The Center also conducts, directly and indirectly, scholarly research necessary to assure the authenticity of the Center's activities and to foster the preservation and appreciation of Polynesian cultures.

In addition, the Center performs a vital role in the extensive missionary activities of the Church; both directly, by providing a free informative tour of the Church's nearby Temple Grounds (approximately 24,008 of the Center's visitors experienced this tour in 2006), and indirectly, by exposing the Center's visitors to the Polynesian student employees and through them, to the Church's overall program in Polynesia which is a very worthwhile and impressive phase of the Church's activities.

The revenues listed in Part VII are generated primarily by charges paid by visitors to the Center for admission to the village complex. In addition, since many visitors spend most of the day and evening at the Center and the location of the Center is somewhat remote, a cafeteria-style dining facility and snack bars are provided for their convenience. Sales of food in these facilities contribute gross receipts as indicated.

Approximately 740,000 guests visited the Center in 2006.

STATEMENT 17
FORM 990, PART VIII

The Center sells Polynesian cultural and educational materials, arts and crafts to the visiting public. These items are related to the Center's exempt purposes, and the sale of these items helps promote the Center's cultural and educational purposes.

STATEMENT 18
SCHEDULE A (FORM 990), PART IV-A, LINE 27

For the years ended December 31, 2002 through and including 2005, other than the contributions disclosed in Schedule A, Part IV-A, Line 27 a), the Center did not receive any gifts, grants, contributions, membership fees or gross receipts from admissions, sale of merchandise or services, or furnishing of facilities in any tax-exempt activities from any "disqualified person" except that certain disqualified persons may have paid for admission to the Center or purchased merchandise from the Center. The Center's accounting system does not include the data necessary to calculate the amount of such payments or purchases; however, the Center believes such amounts to be insignificant and de minimus.

Additional Data

Software ID: 06000146
Software Version: 2006v3.1
EIN: 99-0109908
Name: Polynesian Cultural Center

Form 990, Part II, Line 43 - Other expenses not covered above (itemize):

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
a Video & film amortization	**43a**	114,081	114,081		
b Uniforms	**43b**	130,303	130,303		
c Transportation costs	**43c**	3,811,927	3,811,927		
d Subscriptions & dues	**43d**	89,039	80,135	8,904	
e Spoiled goods	**43e**	124,340	124,340		
f Special events	**43f**	20,330	20,330		
g Research	**43g**	23,508	23,508		
h Purchase Discounts	**43h**	-5,975	5,975		
i Promotions	**43i**	135,147	135,147		
j Professional development	**43j**	43,896	37,751	6,145	
k Other professional fees	**43k**	572,651	515,386	57,265	
l Other	**43l**	11,522		11,522	
m Meals & entertainment	**43m**	62,291	56,062	6,229	
n Laundry	**43n**	170,503	170,503		
o Late fees	**43o**	4,853		4,853	
p Janitorial	**43p**	142,345	142,345		
q Insurance	**43q**	899,592		899,592	
r Hawaii general excise tax	**43r**	1,087,656	1,087,656		
s General Fund	**43s**	37,423	37,423		
t Data processing	**43t**	42,705		42,705	
u Contributions	**43u**	15,500	15,500		
v Cash over/short	**43v**	-4,553	4,553		
w Building maintenance	**43w**	223,029	223,029		
x Bank fees	**43x**	447,191	447,191		
y Bad debt expense	**43y**	279,068		279,068	

Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
LOGOITINO APELU PO BOX 359 LAIE, HI 96762	VP OPERATIONS 40	159,389	13,367	
JOHN MUAINA 55-462 IOSEPA STREET LAIE, HI 96762	VP HUMAN RES 40	101,013	17,408	
JAMES N HOPKINSON 55-465 NANILOA LOOP LAIE, HI 96762	VP FINANCE 40	147,560	14,813	
P ALFRED GRACE PO BOX 191 LAIE, HI 96762	VP SALES 40	162,252	19,421	
VON ORGILL 55-453 NANILOA LOOP LAIE, HI 96762	President 40	219,340	21,613	35,400
M GREG GOLLAHER 55-465 NANILOA LOOP LAIE, HI 96762	VP OF FINANCE 40	57,692	4,587	2,000
JACKIE B TRUJILLO 10330 TULA LANE CUPERTINO, CA 95014	Director 0	0		
MARK H WILLES 4343 SHEFFIELD DRIVE PROVO, UT 84604	Chairman 0	0		
KALOLAINE M SOUKOP 465 KAPAHULU AVENUE SUITE 2B HONOLULU, HI 96816	Director 0	0		
JOHN P MONAHAN 50 Poipu Drive HONOLULU, HI 96825	DIRECTOR 0	0		

Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
DONALD L STAHELI 2726 E WASATCH DRIVE 21 SALT LAKE CITY,UT 84108	Director 0	0		
JAMES R LONG 2348 SOUTH OCEAN BOULEVARD HIGHLAND BEACH,FL 33487	DIRECTOR 0	0		
RICHARD E MARRIOTT 10400 FERNWOOD ROAD BETHESDA,MD 20817	Director 0	0		
DONALD H LIVINGSTONE 3275 N 140 W PROVO,UT 84604	Director 0	0		
V NAPUA BAKER 55-061 LANIHULI STREET LAIE,HI 96762	DIRECTOR 0	0		
J CHRISS LANSING 8100 SPENCELY PLACE RICHMOND,VA 23229	Director 0	0		
IRA A FULTON 9140 S KYRENE SUITE 202 TEMPE,AZ 85284	Director 0	0		
BOYD P MOSSMAN 121 ALA APAPA PLACE MAKAWAO,HI 96768	VICE-CHAIRMAN 0	0		
DANIEL P HOWELLS 4301 IMPERIAL WAY PROVO,UT 84604	Director 0	0		

Form 990, Part VI, Line 80b - If "Yes", enter the name of the organization and whether it is exempt or nonexempt:

Name of the Organization	Exempt	Nonexempt
Saints The	X	
Church of Jesus Christ of Latter-day	X	

STATEMENT 19
FORM 4562, PART V, LINE 26
DEPRECIATION - LISTED PROPERTY

Type of Property	In-Service Date	Business Use %	Cost	Depr Method	2006 Deprec Expense
Jeep Pickup	Jun-97	100%	7,500	SL-3 yr	-
Chevy S-10 truck	Dec-97	100%	14,000	SL-3 yr	-
Chevy S-10 truck	Dec-97	100%	14,000	"	-
Chevy 1-ton flatbed	Jan-98	100%	25,335	"	-
Ford truck F250	Feb-98	100%	20,151	"	-
Ford E-350 Van	Mar-98	100%	32,120	"	-
Metro Tram	Jan-00	100%	55,175	SL-5 yr	-
Metro Tram	Jan-00	100%	55,177	"	-
Astro Van	Mar-00	100%	23,886	SL-3 yr	-
Astro Van	Mar-00	100%	23,675	"	-
Astro Van	Mar-00	100%	23,047	"	-
Astro Van	Apr-00	100%	23,994	"	-
Honda Van	Jul-00	100%	27,849	SL-3 yr	-
Ford Escort sedan	Dec-00	100%	5,125	"	-
Ford Escort sedan	Feb-01	100%	4,975	"	-
Ford E-350 Van	Jun-01	100%	27,132	"	-
Ford Escort sedan	Jun-01	100%	4,925	"	-
Toyota Avalon	Jul-01	100%	27,310	"	-
Ford Escort sedan	Oct-01	100%	4,750	"	-
Gem electric car	Dec-01	100%	10,300	"	-
Gem electric car	Dec-01	100%	10,300	"	-
Gem electric car	Dec-01	100%	10,300	"	-
Gem electric car	Dec-01	100%	10,300	"	-
Ford Escort	Jan-02	100%	5,000	"	-
Ford Ranger truck	Apr-02	100%	13,298	"	-
Ford Ranger truck	Apr-02	100%	13,298	"	-
Ford Ranger truck	Apr-02	100%	13,298	"	-
Honda CRV	May-02	100%	19,904	"	-
Ford Escort	Jun-02	100%	5,000	"	-
Ford Escort	Jul-02	100%	3,975	"	-
Ford Club Wagon	Aug-02	100%	21,299	"	-
Ford Escort	Sep-02	100%	3,575	"	-
Escort Car (Ford) - Used	Mar-03	100%	2,950	SL-3 yr	164
Escort Car (Ford) - Used	Mar-03	100%	2,950	"	164
Honda CRV	May-03	100%	20,130	SL-5 yr	4,026
Le Sienna Van	Jun-03	100%	27,530	"	5,506
Ford 4x2 Truck F350	Jul-03	100%	36,108	"	7,222
Ford Escort	Jul-03	100%	3,525	"	705
Ford Escort	Jul-03	100%	3,475	"	463
Le Sienna Van	Aug-03	100%	29,516	"	5,903
Supreme 5000 Series Tram	Nov-03	100%	110,365	"	22,073
2003 FORD VAN	Feb-04	100%	39,206	SL-3 yr	13,069
2004 FORD RANGER TRUCK	Mar-04	100%	13,953	"	4,651
2004 HONDA CRV	Mar-04	100%	20,260	"	6,753
2000 FORD FOCUS	Mar-04	100%	4,725	"	1,575
2000 FORD FOCUS	Mar-04	100%	4,725	"	1,575
2000 FORD FOCUS	Mar-04	100%	4,725	"	1,575
2004 FORD TRUCK	Apr-04	100%	22,565	"	7,522
FORD FOCUS	Apr-04	100%	4,175	"	1,392
FORD FOCUS	Apr-04	100%	4,275	"	1,425
RICH CROWN LIFT TRUCK	Sep-04	100%	22,346	"	7,449
2004 CHEVY ASTRO VAN	Dec-04	100%	23,200	"	7,733
2004 FORD TRUCK	Dec-04	100%	15,646	"	5,216
2004 FORD TRUCK	Dec-04	100%	15,621	"	5,207
2001 MAZDA PROTEGE	Jan-05	100%	6,275	"	2,092
2001 MAZDA PROTEGE	Jan-05	100%	6,350	"	2,117
2001 MAZDA PROTEGE	Jan-05	100%	6,325	"	2,108
2001 MAZDA PROTEGE	Jan-05	100%	6,275	"	2,092
2002 MAZDA PROTEGE	Feb-05	100%	7,990	"	2,663
2006 Nissan Sentra	Apr-06	100%	14,500	"	3,625
2006 Nissan Sentra	Apr-06	100%	14,500	"	3,625
2006 Nissan Sentra	Apr-06	100%	14,500	"	3,625
2003 Ford Taurus	Jun-06	100%	6,600	"	1,283
2004 Chevy Malibu	Jun-06	100%	8,800	"	1,711
			1,084,059		136,308